

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA, :
:
v. : 15-CR-381 (RKD)
:
VITALY KORCHEVSKY, : September 4, 2015
:
Defendant. : Brooklyn, New York
:
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TRANSCRIPT OF CRIMINAL CAUSE FOR BOND SATISFACTION
BEFORE THE HONORABLE STEVEN M. GOLD
UNITED STATES MAGISTRATE JUDGE

APPEARANCES:

For the Government: KELLY T. CURRIE, ESQ.
UNITED STATES ATTORNEY
BY: CHRISTOPHER OTT, ESQ.
ASSISTANT U.S. ATTORNEY
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Brooklyn, New York 11201

For the Defendant: JAMES HEALY, ESQ.

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1 THE CLERK: Criminal cause for bond
2 satisfaction, case number 15-CR-381, United States v.
3 Vitaly Korchevsky.

4 Counsel, state your appearances.

5 MR. OTT: Good afternoon, your Honor.
6 Christopher Ott on behalf of the United States.

7 THE COURT: Mr. Ott.

8 MR. HEALY: Good morning, your Honor. James
9 Healy of Sullivan & Brill for Mr. Korchevsky.

10 THE COURT: Mr. Healy.

11 Mr. Korchevsky, do you speak and understand
12 English?

13 THE DEFENDANT: Yes.

14 THE COURT: Mr. Ott, I've got quite a
15 detailed bond here. The clerk tells me that it's his
16 understanding that all of the conditions of the bond
17 have now been satisfied but for the defendant's own
18 signature. Is that right?

19 MR. OTT: That's right. As you can tell
20 just from looking at it, this is a more complex bond
21 than some. But most of the complicating factors have
22 to do with that some suretors were in the Philadelphia
23 area, the Eastern District of Pennsylvania. Judge
24 Dearie specifically ordered that they be admonished as
25 to their responsibilities by a judge. So to do that,

1 Mr. Healy's associates in the Eastern District of
2 Pennsylvania have gone before a magistrate judge with
3 the sureties to actually perfect that. The real
4 property reports, et cetera have been provided. The
5 cash surety has been provided and there's a receipt
6 reflected on the docket. In sum, once the signature is
7 affixed to the bond, we believe it's been satisfied in
8 accordance with Judge Dearie's order.

9 THE COURT: So page 3 of the bond has
10 properties A through N, not all real properties but
11 different types of property, A through N, that the
12 government is to restrain before the defendant's
13 release, and you're telling me the government has done
14 so.

15 MR. OTT: That's right. Those, your Honor,
16 just by way of color, are the properties that were
17 restrained -- specifically named to be restrained in
18 the indictment. Judge Dearie, as an additional and not
19 necessarily usual mode of assuring the bond, decided to
20 have the defendant place his interest in those
21 properties against the bond as well. There are also
22 other properties, including his personal home and the
23 home of his mother-in-law, that he has put up
24 separately. Those provide I want to say roughly
25 \$500,000 worth of equity towards the two-million-dollar

1 bond.

2 THE COURT: Thank you, Mr. Ott.

3 MR. HEALY: Your Honor, I'm sorry to
4 interrupt.

5 THE COURT: Please, go right ahead.

6 MR. HEALY: If the Court would like, the two
7 additional sureties signed yesterday in the Eastern
8 District of Pennsylvania. I have a copy here. It was
9 initialed as well by the magistrate there, if the Court
10 would like a copy for the file.

11 THE COURT: Sure. I note that cash was to
12 be deposited in the amount of \$200,000 and it was.

13 MR. OTT: It was, the day of the hearing.

14 THE COURT: And the property on Mill Road is
15 now restrained as well.

16 MR. OTT: It is.

17 THE COURT: And the passports of the wife
18 and children have been surrendered.

19 MR. OTT: They were surrendered that day as
20 well, I believe.

21 THE COURT: Okay. I think that covers it.

22 MR. OTT: I think so.

23 THE COURT: Mr. Korchevsky.

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: This is a very unusual bond in

1 terms fo the amount of security and the number of
2 sureties that the judge called for. What I infer from
3 that, without having learned very much about your case
4 or your background, is that the judge believes that the
5 question of whether you should be released or detained
6 is a close one and that he was persuaded to release you
7 only by the magnitude of the bond you were able to
8 tender.

9 If you do not comply with all of the rules
10 of this bond, or if you fail to appear in court
11 whenever you're directed to do so, all of the
12 properties that are listed on the bond -- and I take it
13 you're familiar with them?

14 THE DEFENDANT: Of course.

15 THE COURT: All of those properties will
16 automatically become the property of the United States
17 government and whoever is living there will be required
18 to vacate the premises, to the extent it's real
19 property, and the government will sell them and sell
20 them fast and cheap. If they don't make two million
21 dollars doing it, they will come after you and the
22 other suretors for the balance. They will obtain legal
23 judgments against all of the suretors and against you
24 and they will ruin their credit ratings and seize their
25 assets and any income streams they may have, all

1 because you didn't follow these rules. So all of these
2 people who have put their property on the line and
3 their economic future on the line will have you to
4 thank for an awful predicament.

5 Are you understanding me so far?

6 THE DEFENDANT: Of course, yes, your Honor.

7 THE COURT: In addition, a warrant will
8 issue for your arrest. You wouldn't be released if
9 Judge Dearie weren't convinced you could be found, even
10 if you fail to appear. So you'll be found. And given
11 that the question of your release was so close in the
12 first place, I predict you will be remanded without any
13 further opportunity to seek bail.

14 You will be charged with a new crime called
15 bail jumping, of which you may be convicted even if
16 you're acquitted of the charges in the indictment. A
17 conviction for bail jumping requires a mandatory prison
18 sentence. Convictions for bail jumping and the charges
19 in the indictment or any of them will require the judge
20 to sentence you to consecutive prison terms.

21 Do you understand what I mean by
22 consecutive?

23 THE DEFENDANT: Yes.

24 THE COURT: If you commit any crime at all
25 while you're out on bail, that will not only be grounds

1 to forfeit the bond and lose all the property, not only
2 grounds to remand you without any further bail, but
3 also grounds to impose an even harsher penalty for the
4 new crime than it ordinarily carries because you were
5 on bail release when you committed it.

6 Is all of that clear?

7 THE DEFENDANT: Yes.

8 THE COURT: The rules you will have to
9 follow include that your travel will be limited to New
10 York City and Long Island, the Eastern District of
11 Pennsylvania or anyplace else that you have permission
12 of your Pretrial Services officer to travel to. You
13 may not have contact with the other people named in the
14 indictment, except when you're with your attorney for
15 the purpose of preparing your defense.

16 You will be subject to random visits at home
17 and if you're working, at your place of work by your
18 Pretrial Services officer. If you make those visits
19 anything but welcoming, you'll be back here. You must
20 report as directed to your Pretrial Services officer.
21 If they say every day in person, it's every day in
22 person. If they say once a week by phone, it's once a
23 week by phone, whatever they require of you.

24 You will be subjected to home detention,
25 meaning that you'll be in your home, except that you

1 may leave for religious services and any other activity
2 permitted by Pretrial Services. You'll pay the costs
3 of your own electronic monitoring.

4 I take it -- I don't see anything about --
5 oh, yes. Did the defendant already surrender his
6 passport to his Pretrial Services officer?

7 MR. OTT: Yes, your Honor.

8 THE COURT: Do you understand everything
9 I've told you?

10 THE DEFENDANT: Yes.

11 THE COURT: There's a place to sign the
12 bond.

13 Mr. Healy, are you familiar with the bond
14 form? If not, Felix will show you where.

15 MR. HEALY: Your Honor, also for the record,
16 Mr. Korchevsky obviously takes this very seriously and
17 wanted to represent to the Court that he is of course
18 going right back to his home from her. He will contact
19 Pretrial Services as directed by Pretrial Services
20 here. It is Friday of Labor Day. If for any reason
21 Pretrial Services cannot set up the monitoring before
22 this weekend, he will remain in his home until directed
23 otherwise by Pretrial Services in the Eastern District.

24 THE COURT: I have a feeling you
25 underestimate the --

1 MR. HEALY: I hope so, your Honor.

2 THE COURT: -- availability and willingness
3 of Pretrial Services to install the equipment but I
4 appreciate your representation on your client's behalf
5 about what will happen if the equipment is not
6 installed.

7 I'm signing the bond. Does Judge Dearie
8 have a conference date that he's already set?

9 MR. OTT: He does, your Honor, November 13th
10 at 11:00 in the morning.

11 THE COURT: Make sure you're there.

12 THE DEFENDANT: Thank you.

13 THE COURT: Anything else with respect to
14 Mr. Korchevsky?

15 MR. OTT: No, your Honor, thank you.

16 THE COURT: Good day, everybody.

17 MR. HEALY: Thank you, your Honor.

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I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.

A handwritten signature in black ink, appearing to read 'EB', with a long horizontal stroke extending to the right.

ELIZABETH BARRON

December 3, 2015